

## **806 KAR 17:310. Prompt payment of claims reporting requirements.**

RELATES TO: KRS 304.17A-005, 304.17A-700-304.17A-730, 304.17C-010-304.17C-090, 304.99-123, 2008 Acts ch. 127, Part XII, secs. 18-20

STATUTORY AUTHORITY: KRS 304.2-110(1), 304.17A-722(1)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110(1) authorizes the executive director to promulgate reasonable administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code as defined in KRS 304.1-010. KRS 304.17A-722(1) requires the office to promulgate administrative regulations establishing reporting requirements regarding the prompt payment of claims by insurers offering a health benefit plan. EO 2008-507, effective June 16, 2008, established the Department of Insurance and the Commissioner of Insurance as the head of the department. This administrative regulation establishes the reporting requirements of an insurer offering a health benefit plan and an insurer offering a limited health service benefit plan for the provision of dental-only benefits.

Section 1. Definitions. (1) "Adjudicate" is defined in KRS 304.17A-700(1).

(2) "Claims payment time frame" means the period of time established in KRS 304.17A-702(1).

(3) "Clean claim" is defined in KRS 304.17A-700(3).

(4) "Commissioner" means Commissioner of Insurance.

(5) "Contested claim" means a clean claim contested in accordance with KRS 304.17A-706(1).

(6) "Department" means Department of Insurance.

(7) "Health care provider" or "provider" is defined in KRS 304.17A-700(9), as amended by 2008 Ky Acts ch. 127, Part XII, sec. 18.

(8) "Insurer" is defined in KRS 304.17A-005(27).

(9) "Limited health service benefit plan" is defined in KRS 304.17C-010(5).

(10) "Paid" means the act of payment by an insurer offering a health benefit plan or a limited health service benefit plan for the provision of dental-only benefits, its agent or designee of the amount required by KRS 304.17A-702(2)(a) or other appropriate amount on the payment date as determined pursuant to 806 KAR 17:360, Section 3(1).

Section 2. Insurer Offering a Health Benefit Plan Reporting Requirements. (1) Within the time frames established in KRS 304.17A-722(3), an insurer offering a health benefit plan shall submit to the department, on a calendar quarter basis, a report on the prompt payment of claims.

(2) If an insurer is unable to meet a timeframe for reporting on the prompt payment of claims as established in this administrative regulation because of unforeseen computer system problems, an extension of time may be granted upon written request to the commissioner.

(3) The report required pursuant to subsection (1) of this section shall contain the prescribed information and data elements, as applicable, in the electronic format as prescribed by the Prompt Payment Reporting Manual, HIPMC-CP-3.

(4) At the time of submittal, the truth and accuracy of the report required pursuant to this section shall be certified by an executive officer of the insurer by completing the Affidavit, HIPMC-CP-2.

Section 3. Insurer Offering a Limited Health Service Benefit Plan Reporting Requirements. An insurer offering a limited health service benefit plan for the provision of dental-only benefits shall:

(1) Annually, no later than June 30 of each year, submit a report to the office on the prompt payment of claims as established under KRS 304.17C-090(2); and

(2) Except for Section 2(1) of this administrative regulation, be subject to the requirements of an insurer offering a health benefit plan as established in this administrative regulation.

Section 4. Incorporation by Reference. (1) The following material is incorporated by reference:

(a) "Prompt Payment Reporting Manual, HIPMC-CP-3" (7/2008); and

(b) "Affidavit, HIPMC-CP-2 (7/2008)".

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Department of Insurance, 215 West Main Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on the department's Web site at <http://doi.ppr.ky.gov>. (28 Ky.R. 198; Am. 639; 871; eff. 9-25-2001; 29 Ky.R. 1384; 1804; eff. 1-16-2003; 32 Ky.R. 967; 1397; eff. 3-3-06; 35 Ky.R. 409; 823; eff. 10-31-08.)